



**National Board of Directors**  
**MEETING**

**October 3, 2004**  
**Newark, New Jersey**

ASPIRA Association, Inc.  
National Board of Directors Retreat  
National Board of Directors Meeting  
October 2004

Newark, New Jersey

**SCHEDULE**

**Thursday, September 30, 2004**

2:00 pm – 5:00pm      Arrival at Newark

**Friday, October 1, 2004**

8:30 – 12:00n      Arrival at Newark  
8:30 – 9:00am      Continental Breakfast  
9:00 – 12:00 noon      Meeting, Student Affairs Committee  
                                 Meeting, Council of Executive Directors  
12:00 noon – 1:00pm      Lunch  
1:00 – 5:30pm      National Board of Directors Retreat  
6:30 – 8:30pm      Dinner (TBA)

**Saturday, October 2, 2004**

8:30 – 9:00am      Continental Breakfast  
9:00 – 12:00n      National Board of Directors Retreat (cont.)  
12:00 – 1:00pm      Lunch  
1:00 – 5:00pm      National Board of Directors Retreat

**Sunday, October 3, 2004**

8:30 – 9:00am      Continental Breakfast  
9:00 – 9:30am      Executive Committee Meeting  
9:30 – 1:30pm      Meeting, National Board of Directors  
12:30 – 1:30pm      Lunch  
1:30pm      Depart Newark

**ASPIRA Association**  
Washington, DC

**National Board of Directors Retreat**

**October 1 - 2, 2004**  
Newark, New Jersey

*Implementing the Strategic Plan 2004-2008: The Next Two Years*

**PROPOSED SCHEDULE**

<b>Date/Time</b>	<b>Activity</b>
<b>October 1, 2004</b>	1:00 – 2:00pm -Introduction: Purpose of the 2004 Retreat
	2:00 – 2:15 -Break
	2:00 – 3:00pm -Review of the Strategic Plan 2004-2008: Highlights of the Plan
	3:00 – 5:00pm -Major priorities and Objectives 2005-2006
<b>October 2, 2004</b>	8:30 – 9:00am -Continental breakfast
	9:00 – 11:00am -Fund Development: Communications and Alternative Sources of Funding
	11:00 – 11:15pm -Break
	11:15 – 1:00pm -ASPIRA Programs and Schools
	1:00 – 2:00pm -Lunch
	2:00 – 3:00pm -Advocacy: Policies and Strategies
	3:00 – 4:45pm -ASPIRA Management
	4:45 – 5:00PM -Summary
	5:00PM -Adjourn





**Executive Committee  
National Board of Directors Meeting  
ASPIRA Association  
October 2, 2004  
Newark, New Jersey**

**PROPOSED AGENDA**

- |     |   |  |         |
|-----|---|--|---------|
| 1.0 | * | Approval of the Agenda   | (Tab 1) |
| 2.0 | * | Review and approval of the Minutes of the<br>May, 2004 Executive Committee meeting | (Tab 2) |
| 3.0 |   | Review of the Agenda for the October 2004<br>Board meeting                         | (Tab 3) |
| 4.0 |   | New Business   |         |
| 5.0 |   | Adjourn  |         |

\* Action Items



Notes





# Notes

**National Board of Directors Meeting**  
**ASPIRA Association**  
**October 3, 2004**  
**Newark, New Jersey**

**PROPOSED AGENDA**

- |     |   |   |         |
|-----|---|---|---------|
| 1 0 | * | Approval of the Agenda  | (Tab 3) |
| 2 0 | * | Review and approval of the Minutes of the February 2004 Board meeting | (Tab 4) |
| 3 0 | * | Statement of Values and Code of Ethics                                | (Tab 5) |
| 4 0 |   | Report, Student Affairs Committee                                     |         |
| 5 0 |   | Chairperson's Report  |         |
| 6 0 |   | Treasurer's Report-   | (Tab 6) |
|     |   | Revenue and Expenditures Report - June 30, 2004                       |         |
|     | * | Endowment Fund Report   |         |
|     | * | Continuing Resolution, Budget FY 2005                                 |         |
|     |   | Approval of Auditors 2004   |         |
| 7 0 | * | Election of Officers  |         |
| 7 0 |   | President's Report  | (Tab 7) |
| 8 0 |   | New Business  |         |
| 9 0 |   | Adjourn   |         |

\* Action Items





ASPIRA Association, Inc.  
National Board of Directors Meeting  
February 21-22, 2004  
Newark, New Jersey

**Members Present**

Ms Myrna M Rivera, S I M C  
Chair of the Board

Mr Wilfredo Matos, Vice Chair  
Program, Chairperson, ASPIRA of  
Connecticut

Mr José González (representing  
Ms Helga Umpierre, Vice Chair  
Personnel, Chairperson  
ASPIRA, Inc de Puerto Rico)

Ms. Sonia Sánchez, Secretary,  
Chairperson, ASPIRA Inc., of Illinois

Ms. Lydia Hernández Vélez, Treasurer,  
Chairperson, ASPIRA Inc of  
Pennsylvania

Mr Angelo González,  
Chairperson ASPIRA Inc, of Florida

Mr Rolando Velázquez (representing  
Mr Gilbert Rivera, Chairperson,  
ASPIRA Inc. of New Jersey)

Ms. Kelly Rodríguez,  
Chair, Student Affairs Committee  
Student Representative,  
ASPIRA, Inc of Florida

Mr Luis Cuevas, At-Large Member

Mr Heriberto Oquendo, Jr , At-Large  
Member

**Student Representatives**

Mr Daniel Martinez,  
Student Representative,  
ASPIRA Inc, of Connecticut

Mr Héctor Artiles,  
Student Representative,  
ASPIRA Inc, of New York

Mr Orlando Lugo,  
Student Representative  
ASPIRA, Inc de Puerto Rico

Ms Ellen Espallat,  
Student Representative,  
ASPIRA Inc , of Pennsylvania

Mr Adam Garcia,  
Student Representative,  
ASPIRA Inc , of New Jersey

**Presidents/Executive Directors**

Mr Ronald Blackburn-Moreno,  
National Office

Mr José Rodríguez,  
ASPIRA of Illinois

Mr William Colón,  
ASPIRA of New Jersey

Mr William Gómez,  
ASPIRA de Puerto Rico  
(for Ms. Hilda Maldonado)

Mr Alfredo Calderon,  
ASPIRA of Pennsylvania

Nat.ons. Board of Directors Meeting  
February 21-22, 2004  
Newark, New Jersey

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Mr Héctor Gesualdo,  
ASPIRA Inc., of New York

**National Office Staff**

Mr John Villamil, Executive Vice  
President and CIO

Ms Hilda Crespo, Vice President Public  
Policy and Federal Relations

**Guests**

Mr Omar Torres, Vice-Chair,  
ASPIRA Inc. of Connecticut

**Excused**

Ms Helga Umpierre, Vice Chair  
Personnel, Chairperson  
ASPIRA, Inc. of Puerto Rico

Ms Magda Irizarry, Chairperson  
ASPIRA, Inc. of New York

Mr Gilbert Rivera, Chairperson,  
ASPIRA Inc. of New Jersey

Ms Alma Maya, Executive Director,  
ASPIRA of Connecticut

Mr Raúl Martínez, Executive Director,  
ASPIRA of Florida

**Call to Order:** The Chairperson Ms. M. Rivera called the meeting to order at 2:30 p.m.

**1.0 Approval of the Agenda**

- Ms. M. Rivera welcomed Board Members.
- Ms. M. Rivera called for a review of the proposed agenda and suggested a change in the sequence of the agenda items to allow for a conference call between the board of Directors and Terri P. Marrs, CPA to discuss the audit for 2003.
- Mr. R. Velázquez made a motion to approve the agenda as amended.
- Mr. W. Matos seconded.
- The agenda was approved by unanimous vote.

**2.0 Treasurer's Report**

- Board Members discussed the Audit FY2003 Report with Terri P. Marrs, CPA via conference call.
- Ms. L. Hernández made a motion to accept the Audit FY 2003 Report.
- Mr. R. Velázquez seconded.
- The motion was approved by unanimous vote.

**3.0 Review and Approval of the Minutes of the August 8, 2004 National Board of Directors Meeting**

- Ms. M. Rivera asked Board Members to review the minutes.
- Several corrections were made to the minutes that were noted by the recorder.
- Mr. E. Espallat made a motion to approve the minutes.
- Ms. K. Rodríguez seconded.
- Mr. H. Oquendo, Jr. abstained because he had not attended the meeting.
- The agenda was approved with one abstention.

**4.0 Associates' Reports**

- Ms. M. Rivera indicated that the Associates had fifteen minutes to report and that copies of reports had been received.
- The Associates' reports are included in Appendix I.

**5.0 Students Affairs Committee Report (SAC)**

- Ms. K. Rodríguez and Mr. D. Martínez reported updates of the SAC.
- Ms. K. Rodríguez informed the Board that the SAC is still working on drafting its By-Laws and Procedures.
- She stated that the SAC have not been able to discuss fundraising ideas.
- Mr. D. Martínez presented an update regarding the motion presented at the last Board meeting on the proposed Associates' contributions to the SAC.
- Board Members entered into a discussion regarding the National Office's previous involvement in national programs for the SAC. They discussed the



possibility of having a liaison or structure for student affairs at the National Office

- Ms. S. Sánchez presented a motion to develop a national structure to direct student affairs issues as an agenda item for the next Executive Committee meeting
- Mr. W. Matos seconded
- The motion was approved by unanimous vote
- Ms. M. Rivera reminded Board Members that a commitment was made at the last Board meeting to bring the issue of contributions to SAC to the local Associates

**The Board adjourned at 5:00 PM**

**The Board reconvened on February 24, 2004 at 9:30AM to continue the Reports of the Associates.**

#### **2.0 6.0 Chairperson's Report**

- Ms. M. Rivera discussed the issue of proposing an amendment to the Articles of Association regarding the process to follow on activities conducted by one Associate in the state of another Associate
- Ms. M. Rivera indicated that Ms. L. Hernández drafted resolution language, rather than an amendment. She clarified that the Executive Committee consented in not presenting an amendment to the Articles of Association
- Ms. L. Hernández read the following  
"ASPIRA as a community has a history of collaboration and communication. Recent events have caused concerns about the implicit operating principles of our community. In order to make explicit the expectations of our Associates, Affiliates, the National Board of Directors of the ASPIRA Association hereby resolves and requires that any Associates, Affiliates who intends to conduct an activity in a geographic area of another Associate, Affiliate must make a good faith effort to obtain a consent and/or collaboration of the Associate, Affiliate in that geographic area. A violation of this Resolution may trigger the procedures for expulsion as provided for in the Articles of Association or such penalty or restriction as the National Board has determined. In the event that a conflict arises either Party can take the issue to the National Office. The National Office shall investigate and mediate between the Parties. If no Resolution can be reached an impasse shall be called. The matter shall be brought to the Executive Committee of the National Board within thirty-(30)-days of determining an impasse. The Executive Committee shall resolve the matter within thirty-(30) days of the meeting where the matter is considered. If the matter cannot be resolved by the Executive Committee, the matter shall be taken to the National Board of Directors at its next regularly scheduled Board meeting."

- Ms. M. Rivera asked Board Members to discuss the language of the recommended resolution
- Mr. H. Oquendo, Jr. made a motion to adopt the resolution.
- Mr. W. Matos seconded
- Ms. M. Rivera explained the business process to follow on activities conducted by one Associate in the state of another Associate. The first order of business is to communicate to the other Associate.
- Ms. Sánchez indicated that the recommended resolution is needed for future years.
- Ms. M. Rivera reminded Board Members of the importance of communicating with each other.
- Mr. L. Cuevas asked if there would be any type of documentation in the event of a disagreement.
- Ms. M. Rivera responded that it should be documented.
- Mr. L. Cuevas suggested that documentation should also exist in the event of an agreement between Associates/Affiliates.
- Ms. M. Rivera agreed.
- Mr. W. Gómez asked that copies of what is approved should be distributed among the Associates.
- Ms. M. Rivera asked Board Members to vote on the resolution.
- The resolution was approved by unanimous vote.
- Ms. M. Rivera informed the Board that Ms. H. Crespo and herself attended a meeting for the Telecentros of the Americas Partnership (TAP). The purpose of the meeting was to follow up on an existing MOU on how to help each other. She indicated the importance of being part of the IAP network for sustainability.
- She indicated that ASPIRA would be taking the lead in the first year and will chair the meetings and organize the governance piece.

#### **7.0 ASPIRANTE Alumni Fellowship**

(Note: This item was moved to accommodate the schedule of some Board Members and allow discussion between Board Members.)

- Ms. M. Rivera updated Board Members regarding the ASPIRANTE Alumni Fellowship (AAF).
- Ms. M. Rivera referred to the letter attached (Tab 5 of the Board of Directors Book). The letter was the response received from AAF after the National Board of Directors sent communication through legal counsel to "cease and desist" in the use of the name "Aspirante".
- Ms. M. Rivera stated that the Executive Committee consented in its last meeting to once again have the National Office request AAF to "cease and desist" in the use of the name and acknowledging receipt of a Memorandum of Understanding (Tab 5 of the Board of Directors Book) as a working document.
- Board Members shared their thoughts and recommendations regarding this issue.

- Ms M Rivera raised a point of clarification for the record that there was no objection of being able to collaborate with the Alumni Fellowship
- Ms S Sánchez indicated that, to her knowledge, none of the Associates has been able to develop a successful alumni association. She questioned if the Associates or Board of Directors are prepared to develop an alumni fellowship
- Ms L. Hernandez expressed her opposition with the actions taken to ask AAF to "cease and desist" in the use of the name. She indicated that the use of the name could be negotiated in a Memorandum of Understanding (MOU)
- Mr H. Gesualdo indicated that the AAF would be their competitor in raising funds in New York
- Mr W. Matos expressed his concerns regarding the consequences of another organization using the name of ASPIRA, and receiving funds without input from the National Board of Directors on how the funds should be used. He questioned whether they would have representation in the AAF Board of Directors
- Mr J. Villamil suggested that instead of the AAF being an organization with 501 (c) (3) (which they currently hold), they could become a program or initiative under ASPIRA of New York. Therefore the Board of Directors of AAF could become an Advisory Board to the initiative
- Mr W. Gómez expressed his concern about Mr J. Villamil's suggestions. He indicated that since Aspirantes are dispersed throughout the nation it would be better if they could be an organization affiliated with the ASPIRA Association
- Mr R. Blackburn explained the option of negotiating a mechanism through an MOU in which they would maintain their name. The implications of this action would be that they would have to bring it to the Association or establish some controls. He indicated that AAF also has the option of changing their name. Mr R. Blackburn agreed that there should be collaboration among the ASPIRA Association and the AAF
- Ms M Rivera asked Board Members how they would incorporate the alumni fellowship and how they would bring it into the core of the ASPIRA Association. She referred to Article III of the MOU (Tab 5 of the Board of Directors Book) and recommended the possibility of exploring governance perhaps around "interlocking Boards", or signing on to the Articles of Association
- Ms M Rivera asked Ms L. Hernández, Mr R. Blackburn and Mr H. Gesualdo, to further investigate the AAF issue, assess and make recommendations about collaboration between both organizations.
- Mr R. Velázquez made a motion to this effect
- Ms Sánchez seconded
- Ms M Rivera called for a vote to have the National Office, in conjunction with Ms L. Hernandez and Mr H. Gesualdo, and other interested Board Members to form a working Committee to investigate, assess and recommend specific measures with regards to ASPIRA's potential relationship with the Aspirante Alumni Fellowship
- The motion was approved by unanimous vote

## **8.0 Treasurer's Report (Cont.)**

(continuation of the Treasurer's Report discussed on February 21)

- Mr. R. Blackburn presented and explained the Revenues and Expenses Report for July 2003 through December 2003
- Mr. R. Blackburn presented and explained the Endowment Fund Report
- Ms. M. Rivera distributed copies of the Endowment Fund Report
- Board Members discussed the Endowment Fund Report

## **9.0 Strategic Plan Priorities**

- Mr. R. Blackburn discussed the Strategic Plan 2004-2008. The Plan establishes priorities and timelines for implementing the various additions proposed in the five-year Plan. He explained in detail each area and its activities.
- He indicated that a major activity under the Funding area is the establishment of an ASPIRA Corporate Board of Advisors. This Board will be composed of 25 high ranking corporate executives that will convene once a year.
- Board Members discussed the various activities proposed in the Strategic Plan's priority areas.
- The plan will be revised every year to see which activities have been accomplished in each of the priority areas.
- Ms. L. Hernandez presented a motion to adopt the Strategic Plan 2004-2008.
- Mr. R. Velázquez seconded.
- The Strategic Plan was approved by unanimous vote.

## **10.0 President's Report**

- Mr. R. Blackburn reported on the communications accomplishments that included sponsoring a tribute to Dr. Antonia Pantoja at the U. S. Capitol and the full redesign of the ASPIRA's web site, launched in December. He mentioned that Univision sponsored and covered the Golf Tournament. He also mentioned that the National Office would be developing a literacy campaign with Hispanic artists thanks to a grant from Verizon.
- Mr. R. Blackburn reported on program implementation. He discussed the implementation of various funded programs such as the HIV/AIDS and Traffic Safety initiatives.
- He reported that in addition to technology, technical assistance to the Associates has focused on strengthening ASPIRA's schools and the possible accreditation of post secondary schools at ASPIRA of Illinois and ASPIRA de Puerto Rico.
- Mr. R. Blackburn indicated that ASPIRA has negotiated a National Line of Credit with Citibank for \$800,000 for the Associates in addition to the \$200,000 that the National Office currently has. This line of credit will be used to resolve cash flow issues for all the Associates as well as fund very specific start-up programs and innovation. He stated that specific policies are being developed for the fund.

- He informed the Board that some of the main advances in technology were the training of technical staff to prepare them for the migration of the information systems to Microsoft Server 2000 and Active Directory. Also the National Office would be developing a comprehensive training for non-technical staff.
- Mr. Blackburn reported on the various grants and contracts awarded for FY 2004. This brings the budget to a revised \$1.56 million.
- He indicated that two new partnerships were formalized through the signing of Memoranda of Understanding (MOU): the University of Puerto Rico and Telecentros of the Americas Partnership. The University of Puerto Rico MOU calls for the collaboration in developing bilingual programs for Puerto Rican students on the mainland to study at the UPR, as well as several initiatives to train teachers and others. The Telecentros de las Americas MOU calls for the collaboration in a host of areas to extend access to technology throughout Latin America.
- Mr. R. Blackburn remained active in various HACR ventures and activities, including finances, Board participation, advising the new President, the recent issues surrounding Wal-Mart's employment practices and other HACR partnerships.
- The National Office has a new Public Policy web site with content on issues that affect the education of Hispanics as well as a host of links to information on policy issues. This web site has information on No Child Left Behind, IDEA, general education issues, traffic and safety, health and others.
- He informed that the Executive Committee had approved the proposed budget for FY 2004 of \$1.5 million, including only the grants already awarded.
- He reported that González and Associates completed the Accounting Manual that includes all policies and procedures for budgeting, accounting, accounts payable and accounts receivable.
- Part of the finance and administration efforts included the extensive use by ASPIRA of Connecticut of its line of credit provided by the National Office for short-term loans. In addition, a short-term loan was issued to ASPIRA of New York to cover short-term shortfall for payroll.
- Mr. R. Blackburn mentioned the renewal of the National Office's line of credit with Citibank (\$200,000).

#### **11.0 Other Business**

- No other businesses were presented.

#### **12.0 Adjourn**

- Ms. M. Rivera requested a motion to adjourn.
- Ms. S. Sánchez presented a motion to adjourn.
- Ms. L. Hernandez seconded.
- Motion was approved by unanimous vote.

## APPENDIX I

### Reports of the Associates

#### ASPIRA of Connecticut

- Mr. D. Martínez reported that this year they started using a new curriculum for the Leadership Clubs. He indicated that they had an *Officers Retreat* in September. They also had a successful *Third Annual Youth Conference*. He announced that they have a new Leadership Club in New Britain High School.
- Mr. D. Martínez indicated that they had an *ASPIRA Summit* for the Bridgeport Clubs and their Officers to address leadership curriculum management issues.
- He reported on the election of new Officers. He informed that Mr. Antonio Muñoz was selected as the new Chair for the 2004-2005 academic year.
- He informed the Board that students from the Stamford, Danbury and Greenwich areas met with Congressman Christopher Shays during community meetings. The students made presentations on the DREAM Act.
- Mr. D. Martínez informed the Board that his Leadership Club has been working on the *Asthma Walk* for the past year. He indicated that the Leadership Club received an award from the American Lung Association for being the most active in their event. He also indicated that the Leadership Club received second place for the *Annual Homeless Walk*.
- He reported that most of the Leadership Club members are serving as mentors for elementary school students within their community as well as volunteering in medical centers and hospitals.
- He indicated that Leadership Clubs hosted different fundraising events throughout the year. His leadership Club hosted a fundraising dinner and he was able to get the Commissioner of Education as the keynote speaker.
- He informed that most of the Leadership Clubs are working closely with Juroads and had participated in various events.
- Mr. W. Matos reported that ASPIRA of Connecticut and the Latino and Puerto Rican Affairs Commission (LPRAC) have joined forces to propose a Bill to address the Latino dropout rate. Through this Bill, money should be provided to address the dropout issue.
- Mr. W. Matos reported that this would be his last meeting due to his resignation as Chair of ASPIRA of Connecticut. He introduced Mr. Omar Torres, who will succeed him as Chair.
- He informed that the Board of Directors of ASPIRA of Connecticut is considering changing the By-Laws to allow for Co-Chairs.

#### **ASPIRA of Pennsylvania**

- Ms. E. Espaillat reported that the Leadership Clubs are planning some trips including Puerto Rico and Westchester University. They are also planning an Officers training. She informed the Board that the ACF is planning one of the Charter Schools' *field day*. She indicated that they are part of the Stakeholders of Hunting Park organization and are working in developing junior stakeholders and in an event entitled *El Dia de los Niños*.
- Ms. E. Espaillat reported that currently thirteen (13) Leadership clubs are in place, five (5) less than last year. She discussed various activities that were being planned by the Leadership Clubs.
- She indicated that three new Leadership Clubs were formed.
- Ms. L. Hernández reported on their 12<sup>th</sup> Annual Benefit Gala featuring El Gran Combo. American Airlines and Keystone Mercy sponsored the event.
- She informed the Board that they would be recruiting new Board Members. She indicated that this is her last year as Chair.
- She informed the Board about the possibility of opening new centers in various areas of Pennsylvania.

#### **ASPIRA de Puerto Rico**

- Mr. W. Gómez reported on the new initiatives such as *Centro de Tecnología de la Comunidad*. The initiative is being funded by the Department of Education and would provide services to Ponce, Mayaguez and Carolina.
- He reported that the Upward Bound initiative was recently approved for four years and received an additional \$55,000 to add twenty (20) more students.
- He indicated that the Supplemental Educational Services program has been offering tutoring services under Title I of the No Child Left behind Act.
- He informed that the Cisco Academy has been planning to expand its training services.
- Mr. W. Gómez reported on the successes and updates of programs such as Head Start, Talent Search, Upward Bound Veterans, COPRAM, Educación de SIDA (PEPS) and APEX.
- Mr. O. Lugo reported on the Leadership Clubs activities.
- He informed the Board that they celebrated the *Segundo Encuentro de la Federación de Clubes de ASPIRA*. 131 students attended the activity.
- He reported on future activities such as a cultural activity at the *Cavernas de Camuy* and the ASPIRA Club Federation *Noche de Logros*.

#### **ASPIRA of Florida**

- Ms. K. Rodríguez reported on the Hispanic Heritage month activities. The Florida State University and the Latino Student Union created the Antonia Pantoja Scholars Program. The mentorship program chose fifteen (15) Latino students from Tallahassee.

- She reported that they have had difficulties with the ACF of Florida. The student holding the President position moved and they held elections for a new President. There was a dispute regarding the By-Laws and these are currently being revised.
- She reported on various Leadership Club's activities.
- She informed that a new College Leadership Club at ASPIRA North was formed. The Club serves as a mentorship program for high school youth.

#### ASPIRA of New York

- Mr. H. Ariles reported on the activities conducted by the Leadership Clubs.
- He informed the Board that they are preparing trainings for the Hispanic Youth Leadership Institute. The New York State Assembly Puerto Rican Hispanic Task Force established the Institute, in an effort to introduce young people to the legislative and political process. The students will take part in an eight week training.
- He indicated that they currently have 17 Leadership Clubs in the New York City area and only 12 of them are active.
- He reported that the ACF would be meeting to plan the *Annual Award Ceremony*. They are also planning to fundraise for an ACF Scholarship for graduating high school students.
- Mr. H. Ariles reported that ASPIRA of New York received a grant for the expansion of the ASPIRA Leadership Clubs.
- Mr. H. Oquendo, Jr. reported that they submitted an Offer of Compromise for the AmeriCorps debt. The Offer was accepted and they must submit a payment for \$48,000 by March 31<sup>st</sup>.
- He reported that ASPIRA of New York had a cash flow crisis since some of the expected grants were not approved. He indicated that the National Office granted a loan to support the cash flow loss.
- He updated the Board on the *Annual Circle of Latino Achievers Luncheon* on May 14, 2004. He informed that it has been suggested for corporate donors to adopt a Leadership Club.

#### ASPIRA of New Jersey

- Mr. A. García reported on the successes of the *Second Annual Congressional-Legislative Golf Tournament* and the *Technology Tools Conference* in Puerto Rico. He informed the Board that Mr. D. Martínez and himself presented in a panel at the Fifth Annual Latino Education Conference.
- He indicated that a new program was developed. Latinos for Academic and Social Excellence (LASE) is an ASPIRA Club chapter at the Rutgers University level. The purpose of the program is to close the gap between high school and college and celebrate multicultural awareness.
- Mr. A. García reported on past Leadership Clubs activities.
- He informed that the Board plans to establish a peer-to-peer mentoring program to match college students with high school students.



- Mr. A. Garcia reported that Panasonic donated two professional cameras. They have been producing *ASPIRA Kids News*.
- He informed the Board that they are planning to restructure the ACF in order to have a stronger bond between the middle schools to create a National ACF.
- He indicated that a National Hispanic Agenda is being drafted by LASE and in collaboration with other Latino youth organizations. The goal is to have a conference where they can discuss various issues.
- Mr. W. Colón added that the National Hispanic Agenda is a group of Latino youth organizations that have joined forces to have a national conference on various Hispanic issues.
- Mr. W. Colón reported on upcoming events, such as the *Fifth Annual Youth Leadership Convocation* and the *Sixth Annual Latino Education Conference*.
- He informed the Board that they are doing the Panasonic Children's Movie Studio. Panasonic donated \$150,000 in professional equipment. He indicated that they are almost done with the construction of the studio.
- He reported that they received another grant that will allow them to expand to other school districts in New Jersey.

#### ASPIRA of Illinois

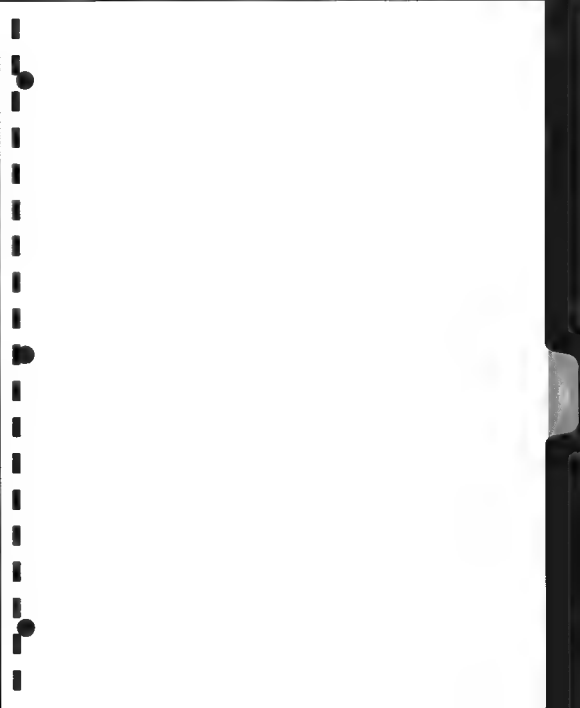
- Ms. S. Sanchez reported that the Audit Report for ASPIRA of IL had findings.
- She informed the Board that they are still in the process of purchasing a 100,000sq'f warehouse that will house all ASPIRA of Illinois' programs and a senior citizen center.
- She reported that they opened the Mirta Ramirez Computer Science Charter School with 200 students.
- Ms. Sánchez indicated that they have a new art, culture and history program. The program is currently writing a book on the history of Puerto Ricans in Chicago. The book will include a documentary video.

D I S C L A I M E R

This is to certify that the attached description of the ASPIRA National Board of Directors Meeting was held as herein appears, is a true and accurate record of the meeting. The final transcript after editing, redacting and revision as produced and made available to Board Members is not necessarily a verbatim transcript of all proceedings and presentations, although reasonable efforts have been made to ensure the accuracy of the content provided.

*Faviola Donato-Galindo*  
Transcriber

Ms Sonia Sánchez  
Treasurer, National Board of Directors







**National Board of Directors**

**Statement of Values and  
Code of Ethics for the  
ASPIRA Association**

**DRAFT**

**May 2004**



**DRAFT**

## **Statement of Values and Code of Ethics of the ASPIRA Association**

### **I. Introduction**

As a matter of fundamental principle, ASPIRA should adhere to the highest ethical standards because it is the right thing to do. As a matter of pragmatic self-interest, the community should do so because public trust in our performance is the bedrock of our legitimacy. Donors and volunteers support charitable organizations because they trust them to carry out their missions, to be good stewards of their resources, and to uphold rigorous standards of conduct.

ASPIRA must earn this trust every day and in every possible way. But organizations are, at base, people, and it is up to the people of the independent sector—board members, executive leaders, staff and volunteers—to demonstrate their ongoing commitment to the core values of integrity, honesty, fairness, openness, respect, and responsibility.

ASPIRA should have a formally adopted code of ethics with which all of their board members, staff and volunteers are familiar and to which they adhere.

Adherence to the law is the minimum standard of expected behavior. ASPIRA must do more, however, than simply obey the law. We must embrace the spirit of the law, often going beyond legal requirements and making sure that what we do is matched by what the public understands about what we do. Transparency, openness and responsiveness to public concerns must be integral to our behavior.

### **II. Statement of Values**

Any code of ethics is built on a foundation of widely shared values. The values of ASPIRA include:

- Commitment to the public good generally and to the Puerto Rican/Hispanic community;
- Accountability to the public;
- Commitment beyond the law;
- Respect for the worth and dignity of individuals;
- Inclusiveness and social justice;

- Respect for pluralism and diversity
- Transparency, integrity and honesty,
- Responsible stewardship of resources, and,
- Commitment to excellence and to maintaining the public trust

These values lead directly to the Code of Ethics for Nonprofit and Philanthropic Organizations that follows. The values inform and guide the actions that organizations should take in developing their policies and informing their practices

### **III. The Code of Ethics for the ASPIRA Association**

#### **A. Personal and Professional Integrity**

All staff, board members and volunteers of ASPIRA act with honesty, integrity and openness in all their dealings as representatives of the organization. The organization promotes a working environment that values respect, fairness and integrity.

#### **B. Mission**

ASPIRA has a clearly stated mission and purpose, approved by the board of directors, in pursuit of the public good. All of its programs support that mission and all who work for or on behalf of ASPIRA understand and are loyal to that mission and purpose. The mission is responsive to the constituency and communities served by the organization and of value to the society at large.

#### **C. Governance**

ASPIRA has an active National Board of Directors that is responsible for setting the mission and strategic direction of the organization and oversight of the finances, operations, and policies of the organization. The National Board of Directors

- Ensures that its board members have the requisite skills and experience to carry out their duties and that all members understand and fulfill their governance duties acting for the benefit of the organization and its public purpose,
- Has a conflict of interest policy that ensures that any conflicts of interest or the appearance thereof are avoided or appropriately managed through disclosure, recusal or other means, and
- Is responsible for the hiring, firing, and regular review of the performance of the President and CEO, and ensures that the compensation of the President and CEO is reasonable and appropriate,
- Ensures that the President and CEO, and appropriate staff provide the governing body with timely and comprehensive information so that the governing body can effectively carry out its duties,
- Ensures that the organization conducts all transactions and dealings with integrity and honesty,

- Ensures that ASPIRA promotes working relationships with board members, staff, volunteers, and program beneficiaries that are based on mutual respect, fairness and openness;
- Ensures that ASPIRA is fair and inclusive in its hiring and promotion policies and practices for all board, staff and volunteer positions,
- Ensures that policies of the organization are in writing, clearly articulated and officially adopted,
- Ensures that the resources of the organization are responsibly and prudently managed, and,
- Ensures that the organization has the capacity to carry out its programs effectively

#### **D. Legal Compliance**

ASPIRA is knowledgeable of and complies with all laws, regulations and applicable international conventions

#### **E. Responsible Stewardship**

ASPIRA manages its funds responsibly and prudently. This should include the following considerations

- It spends a reasonable percentage of its annual budget on programs in pursuance of its mission,
- It spends an adequate amount on administrative expenses to ensure effective accounting systems, internal controls, competent staff, and other expenditures critical to professional management,
- The organization compensates staff, and any others who may receive compensation, reasonably and appropriately,
- ASPIRA has reasonable fundraising costs, recognizing the variety of factors that affect fundraising costs,
- ASPIRA does not accumulate operating funds excessively,
- ASPIRA prudently draws from endowment funds consistent with donor intent and to support the public purpose of the organization and only as approved by the National Board of Directors,
- ASPIRA ensures that all spending practices and policies are fair, reasonable and appropriate to fulfill the mission of the organization; and,
- All financial reports are factually accurate and complete in all material respects

#### **F. Openness and Disclosure**

ASPIRA provides comprehensive and timely information to the public, the media, and all stakeholders and is responsive in a timely manner to reasonable requests for information. All information about the organization will fully and honestly reflect the policies and practices of the organization. Basic informational data about the organization, such as the Form 990, reviews and compilations, and audited financial statements will be posted on the organization's website or otherwise available to the public. All solicitation materials accurately represent the organization's policies and practices and will reflect the dignity



of program beneficiaries. All financial, organizational, and program reports will be complete and accurate in all material respects.

#### **G. Program Evaluation**

ASPIRA regularly reviews program effectiveness and has mechanisms to incorporate lessons learned into future programs. The organization is committed to improving program and organizational effectiveness and develops mechanisms to promote learning from its activities and the field. The organization is responsive to changes in its field of activity and is responsive to the needs of its constituencies.

#### **H. Inclusiveness and Diversity**

The organization has a policy of promoting inclusiveness and its staff, board and volunteers reflect diversity in order to enrich its programmatic effectiveness. The organization takes meaningful steps to promote inclusiveness in its hiring, retention, promotion, board recruitment and constituencies served.

#### **I. Fundraising**

ASPIRA is truthful in its solicitation materials. Organizations respect the privacy concerns of individual donors and expend funds consistent with donor intent. ASPIRA discloses important and relevant information to potential donors.

In raising funds from the public, ASPIRA will respect the rights of donors, as follows:

- To be informed of the mission of the organization, the way the resources will be used and their capacity to use donations effectively for their intended purposes,
- To be informed of the identity of those serving on ASPIRA's national Board of Directors and to expect the board to exercise prudent judgment in its stewardship responsibilities;
- To have access to the organization's most recent financial reports,
- To be assured their gifts will be used for the purposes for which they were given,
- To receive appropriate acknowledgement and recognition,
- To be assured that information about their donations is handled with respect and with confidentiality to the extent provided by the law,
- To expect that all relationships with individuals representing organizations of interest to the donor will be professional in nature,
- To be informed whether those seeking donations are volunteers, employees of the organizations or hired solicitors,
- To have the opportunity for their names to be deleted from mailing lists that an organization may intend to share, and,
- To feel free to ask questions when making a donation and to receive prompt, truthful and forthright answers.<sup>3</sup>

#### **IV. Process and Afterword**

The Statement of Values and Code for the ASPIRA Association was modeled on Statement of Values and Code of Ethics for Nonprofit and Philanthropic Organizations developed by the INDEPENDENT SECTOR Ethics and Accountability Committee in February 2004

ASPIRA has adopted this Code of Ethics by approval of its National Board of Directors on \_\_\_\_\_, 2004

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**ASPIRA ASSOCIATION, INC.** Investment in Latino Youth  
**REVENUES AND EXPENSES REPORT**  
**FOR JULY 2003 THROUGH JUNE 2004**  
**(UNAUDITED)**



	Modified Accrual Year to Date Actual	Approved Annual Budget	Budget Balance	% of Budget Remaining
<b>Support &amp; Revenue</b>				
Contributions and grants	1,157,818	1,264,640	\$ (106,822)	-8%
Federal Grants	216,093	308,585	(92,502)	30%
Interest income	2,482	1,200	1,282	107%
Misc. Income	58,894	58,894	0	0%
<b>Total</b>	<b>1,435,287</b>	<b>1,633,329</b>	<b>(188,042)</b>	
<b>EXPENSES</b>				
Salaries	528,709	634,913	106,204	17%
Fringe	111,029	133,332	22,303	17%
Bank Charges	373	2,000	1,627	81%
Board Expenses	28,112	25,000	(1,112)	-4%
Consultants/Temporary Help	193,542	160,585	(32,957)	-21%
Legal Fees	1,850	2,000	150	8%
Audit Fees	13,942	15,000	1,058	7%
Equipment Purchase and Maint	31,242	16,000	(15,242)	95%
Insurance	754	2,000	1,246	62%
Office Supplies	6,187	10,597	4,411	42%
Program Supplies	6,422	7,647	1,225	18%
Postage/Delivery	8,189	10,418	2,249	22%
Printing	15,012	25,036	10,024	40%
Rent	160,254	150,138	(10,116)	-7%
Seminars/meetings	29,128	34,157	5,029	15%
Stipends	5,036	6,000	964	0%
Telephone	29,587	19,882	(9,705)	49%
Travel/Lodging & Per Diem	67,232	60,313	(6,919)	11%
Interest Expense	2,452	3,000	548	0%
Special Events	44,560	45,000	440	100%
Reserve	45,000	0	(45,000)	100%
<b>Total Expenses</b>	<b>1,326,593</b>	<b>1,363,018</b>	<b>36,425</b>	<b>3%</b>
Transfers	105,500	270,311	164,811	61%
<b>TOTAL</b>	<b>1,432,093</b>	<b>1,633,329</b>	<b>201,236</b>	<b>12%</b>
<b>REVENUES (UNDER) EXPENSES:</b>	<b>3,194</b>			



An investment in Latino Youth

ASPIRA Association, Inc.

National Office

STATEMENT OF FINANCIAL POSITION

JUNE 30, 2004 (UNAUDITED)



ASSETS		07/01/02
<b>CURRENT ASSETS</b>		
Cash and cash equivalents	\$	422,654.95
Accounts receivable		117,499.00
Prepaid expenses		4,761.00
Total current assets		544,914.95
<b>NON-CURRENT ASSETS</b>		
Loans to Associates		320,464.00
Security deposit		11,051.00
Investments in deferred compensation		12,954.22
Endowment investments		1,028,169.00
Equipment and software		325,106.64
Less accumulated depreciation		(263,690.30)
Total non-current assets		1,434,054.56
<b>TOTAL ASSETS</b>	<b>\$</b>	<b>1,978,969.51</b>

LIABILITIES AND NET ASSETS

<b>CURRENT LIABILITIES</b>		
Accounts payable	\$	88,367.00
Pens on Payable	\$	14,020.00
Current portion of capital lease obligation		4,949.00
Due to subrecipients		91,905.00
Operating line of credit		138,657.00
Deferred Rent		16,104.00
Total current liabilities		353,892.00
<b>NON-CURRENT LIABILITIES</b>		
Deferred compensation		12,954.00
Deferred rent		24,155.00
Deposits held in escrow		10,404.00
Capital lease obligation		3,351.00
Total non-current liabilities		50,864.00
Total liabilities		404,756.00
<b>NET ASSETS</b>		
Unrestricted		298,068.00
Temporarily restricted		771,320.51
Permanently restricted		504,826.00
Total net assets		1,574,213.51
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$</b>	<b>1,978,969.51</b>



ASPIRA ASSOCIATION, INC  
READER'S DIGEST ENDOWMENT FUND

DATE	TOTAL VALUE	DATE	TOTAL VALUE	DATE	TOTAL VALUE
NOV 30 1990	455,565	AUGUST 30, 1994	648,534	MAY 31, 1998	1,168.9
DEC 31, 1990	45,436	SEPTEMBER 30, 1994	639,307	JUNE 30, 1998	1,094,915
JAN 31 1991	468,030	OCTOBER 30, 1994	645,002	JULY 31, 1998	677,850
FEB 24 1991	495,114	NOVEMBER 30, 1994	630,239	AUGUST 31, 1998	966,633
MARCH 3, 1991	505,392	DECEMBER 31, 1994	638,550	SEPTEMBER 30, 1998	1,014,682
APRIL 30, 1991	505,335	JANUARY 31, 1995	649,260	OCTOBER 30, 1998	1,065,531
MAY 31 1991	527,766	FEBRUARY 28, 1995	672,382	NOVEMBER 30, 1998	1,095,777
JUNE 30, 1991	513,772	MARCH 31, 1995	686,713	DECEMBER 30, 1998	1,273,810
JULY 31 1991	528,147	APRIL 30, 1995	698,857	JANUARY 30, 1999	1,134,317
AUGUST 31 1991	543,986	MAY 31, 1995	722,916	FEBRUARY 28, 1999	1,166,252
SEPTEMBER 30 1991	539,444	JUNE 30 1995	739,631	MARCH 29 1999	1,155,028
OCTOBER 31, 1991	539,295	JULY 30, 1995	743,837	APRIL 30, 1999	1,189,493
NOVEMBER 30, 1991	531,157	AUGUST 30, 1995	76,640	MAY 28, 1999	1,161,475
DECEMBER 31 1991	573,762	SEPTEMBER 30, 1995	779,621	JUNE 30, 1999	1,171,692
JANUARY 31 1992	566,260	OCTOBER 31, 1995	781,118	JULY 30, 1999	1,513,828
FEBRUARY 29, 1992	573,372	NOVEMBER 30, 1995	731,089	AUGUST 3, 1999	1,337,816
MARCH 31, 1992	566,737	DECEMBER 31, 1995	738,569	SEPTEMBER 30, 1999	1,201,717
APRIL 30, 1992	571,490	JANUARY 31, 1996	755,733	OCTOBER 30, 1999	1,171,232
MAY 3, 1992	571,925	FEBRUARY 29, 1996	762,941	NOVEMBER, 1999	738,297
JUNE 30 1992	571,769	MARCH 31, 1996	769,234	DECEMBER 1, 1999	59,046
JULY 3, 1992	593,229	APRIL 30, 1996	772,836	JANUARY 31, 2000	23,974
AUGUST 31, 1992	589,59	MAY 31, 1996	78,751	FEBRUARY 24, 2000	690,872
SEPTEMBER 30, 1992	597,00	* JUNE 30, 1996	783,620	MARCH 31, 2000	634,28
OCTOBER 31, 1992	597,446	JULY 3, 1996	758,561	APRIL 3, 2000	46,576
NOVEMBER 30, 1992	607,858	AUGUST 31, 1996	778,534	MAY 3, 2000	57,203
DECEMBER 31, 1992	613,352	SEPTEMBER 30, 1996	817,112	JUNE 30, 2000	67,391
JANUARY 31, 1993	615,988	OCTOBER 31, 1996	827,699	JULY 31, 2000	67,528
FEBRUARY 28, 1993	618,630	NOVEMBER 30, 1996	866,196	AUGUST 3, 2000	1,07,927
MARCH 31, 1993	629,363	DECEMBER 31, 1996	857,254	SEPTEMBER 30, 2000	1,08,77
APRIL 30, 1993	616,43	JANUARY 31, 1997	885,290	OCTOBER 4, 2000	1,035,021
MAY 31, 1993	625,801	FEBRUARY 28, 1997	888,336	NOVEMBER 30, 2000	1,03,365
JUNE 30, 1993	626,796	MARCH 31, 1997	862,403	DECEMBER 31, 2000	1,057,66
JULY 31, 1993	620,64	APRIL 30, 1997	891,218	JANUARY 30, 2001	1,245,594
AUGUST 31, 1993	642,802	MAY 31, 1997	931,036	FEBRUARY 27, 2001	1,209,018
SEPTEMBER 30, 1993	641,347	JUNE 30, 1997	955,598	MARCH 31, 2001	1,165,334
OCTOBER 31, 1993	643,791	JULY 31, 1997	1,094,058	APRIL 30, 2001	1,197,121
NOVEMBER 30, 1993	631,706	AUGUST 31, 1997	963,731	MAY 31, 2001	1,197,340
DECEMBER 31, 1993	644,911	SEPTEMBER 30, 1997	990,111	JUNE 30, 2001	1,175,880
JANUARY 31, 1994	652,033	OCTOBER 31, 1997	973,053	* JULY 3, 2001	997,065
FEBRUARY 28, 1994	646,942	NOVEMBER 30, 1997	999,048	* August 2001	996,536
MARCH 31, 1994	624,848	DECEMBER 31, 1997	1,015,497	* September 2001	918,889
APRIL 30, 1994	624,772	JANUARY 31, 1998	1,022,971	* October 2001	914,035
MAY 31, 1994	630,471	FEBRUARY 28, 1998	1,083,491	* November 2001	932,247
JUNE 30, 1994	619,830	MARCH 31, 1998	1,019,800	* December 2001	946,777
JULY 31, 1994	629,523	APRIL 30, 1998	1,055,946	* January 2002	923,15
				* February 2002	908,273
				* March 2002	942,705
				* April 2002	904,740
				* May 2002	888,365
				** June 2002	845,60



ASPIRA ASSOCIATION INC  
1444 EYE STREET NW  
SUITE 800  
WASHINGTON DC 20005-6543

**PORTFOLIO SUMMARY REPORT**  
Quarter Ending June 30, 2004

PREPARED FOR  
Aspira Association Inc

CLIENT NAME	MANAGER NAME	CUSTODIAN	ACCOUNT NUMBER
Aspira Association Inc Readers Digest Endowment Fund Select Account	OFI Private Investments (Gulf)	First Clearing Corp.	1219-3237
Aspira Association Inc Readers Digest Endowment Fund Select Account	Ashfield & Co. Inc.	First Clearing Corp.	1219-3239
Aspira Association Inc Readers Digest Endowment Fund	Lazard Asset Management	First Clearing Corp.	1219-3241
Aspira Association Inc Readers Digest Endowment Fund	Madison Investment Advisors	First Clearing Corp.	1219-3243

**YOUR FINANCIAL ADVISOR**

MYRNA RIVERA  
Consultiva International, Inc.  
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273 Ponce De Leon Avenue  
Suite 1201  
San Juan, PR 00917  
787-763-5868  
Prepared by:  
Lockwood®, a service of Pershing®

The performance and gain/loss data included in this report is for informational purposes only. The data used to calculate the performance is gathered from sources believed to be reliable, however the values of individual securities and respective gain/losses may not match the data provided by your custodian. This is due to different pricing services, the timing of the collection of data and any subsequent adjustments which may be made. For this reason, this report is not intended to serve as a tax document and the information is not provided to the IRS. Tax reporting remains the responsibility of each client, and you should refer to the 1099s, confirmations and statements provided by your custodian.

## CAPITAL MARKETS COMMENTARY

As of June 30, 2004

### Commentary - Summer Malaise Masks Underlying Improvement in Economic and Market Fundamentals

- The US equity markets owed out single-digit returns over the last three months and year-to-date as investors anticipated the Fed's decision to raise short-term interest rates for the first time in four years, a response to an acceleration of real growth and a pick-up in the core rate of inflation. Uncertainty in Iraq and the upcoming general election also weighed heavily on investors.
- Bond prices continued to move lower in most sectors of the market during the quarter. The bond market has reacted to expectations of a Fed funds rate of at least 2% by year-end. These expectations have been more pronounced recently as inflation has moved higher than expected. Both corporate and Treasury-issued bonds moved lower, with the biggest losses posted in longer-dated maturity bonds.
- International stock prices were flat during the quarter and have appreciated 5% since the beginning of the year. The smaller secondary markets of Western European markets higher on a US-dollar basis during the quarter and most of the first half of the year. The dollar has gained some ground relative to the Euro since the beginning of the year due to higher interest rates in the US relative to levels in Europe. Over the most recent quarter, stocks moved lower in several Asian markets and extended their losses in Austria, a.

### Outlook - Improving Global Economic Growth, Living With Higher Inflation, and The Peak of the Corporate Profits Cycle

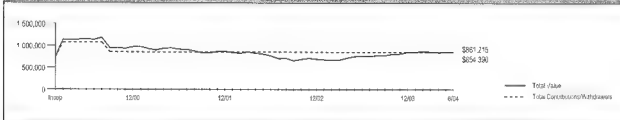
- US real economic growth continued to be revised higher during the quarter from a 4.8% to a 5% annual rate of growth, well above the long-term trend average of 3.5%. Despite rising price pressures and higher interest rates, growth was robust in both the manufacturing and consumer sectors. Job growth continued to improve during the first quarter, but the pace of new job growth is still shy of what is needed to move the economy back to full employment. Real growth in the US is expected to slow from current levels due to the combination of high levels of outstanding consumer debt and rising interest rates.
- Corporate earnings continued to grow at an annualized rate in excess of 20% through the first quarter with the general consensus expecting this rate of growth to continue into the third, and possibly fourth, quarters of 2004. Consensus expectations then shift to favor a slowdown in corporate profit growth during 2005 and 2006.
- US stocks are still trading at valuation levels slightly higher than the historical average. However, with stronger earnings growth and flat stock prices, valuation levels are quickly moving toward "fair valuation" levels. Even so, the concern now is how the market will react to a slowdown in corporate profit growth from current peak levels and to rising interest rates.

# PORTFOLIO SUMMARY

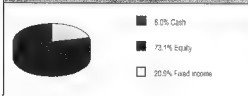
Aspira Association Inc.	Asset Growth			Tax Information			
	Since Inception (03/08/00)	Fiscal YTD	Current Qtr	07/01/04 - 06/30/04			
	Beginning Market Value	\$734,313	\$851,142	\$861,357	Income Received		\$3,675
	Net Contributions/Withdrawals	\$120,076	\$0	\$0	Short Term		Long Term
Quarter Ending 06/30/04	Gain/Loss + Income Earned	\$8,826	\$10,073	\$-142	Net Gain or Loss		Term
Year Ending 12/31/04	Ending Market Value	\$861,215	\$861,215	\$861,215	Realized	\$-352	\$0
					Unrealized	\$28,736	\$3,783

Investment & Benchmark Returns (%)	Allocation	Since Inception	Fiscal YTD	Current Qtr	Asset Value	Actuals	Trailing 12 Months
<b>Your Portfolio</b>	<b>100.0%</b>	<b>-0.26%</b>	<b>1.18%</b>	<b>-0.02%</b>	<b>\$858,145</b>	<b>\$3,070</b>	<b>\$861,215</b>
S&P 500 TR		-2.65% <sup>1</sup>	3.44%	1.71%			
LB GOV/CORP		7.86% <sup>1</sup>	-0.19%	-3.17%			
MSCI EAFE		-3.47% <sup>1</sup>	4.86%	0.44%			
OF Private Investments (G.M.I.)	36.0%	0.61% <sup>1</sup>	2.16%	0.64%	\$309,561	\$404	\$309,965
Ashfield & Co. Inc.	26.2%	-4.30% <sup>1</sup>	1.63%	0.56%	\$225,373	\$163	\$225,536
Lazard Asset Management	15.8%	0.58% <sup>1</sup>	0.77%	0.35%	\$135,481	\$330	\$135,811
Madison Investment Advisors	22.0%	4.15%	-0.60%	-1.98%	\$187,729	\$2,174	\$189,903

## Portfolio Growth Over Time



## Strategic Asset Allocation



## Style Allocation

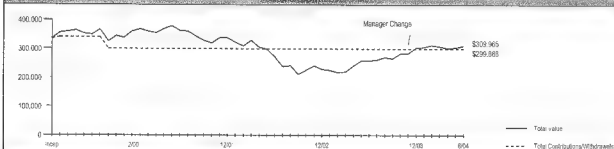


## ACCOUNT SUMMARY

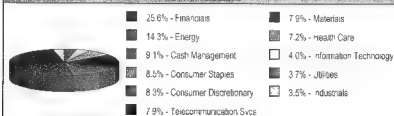
Account Number . 1219-3237

Aspiria Association Inc Readers Digest Endowment Fund Select Account	Asset Growth	Since Inception	Fiscal YTD	Current Qtr	Income Received
OFI Private Investments (Gulf U.S. Equity Large Cap Value)	Beginning Market Value	\$334,448	\$303,398	\$307,995	Year to Date \$3,675
	Net Contributions/Withdrawals	\$-34,581	\$0	\$0	Not Realized Gain/Losses
	Gain/Loss + Income Earned	\$10,088	\$6,567	\$1,970	Short Term \$-352
	Ending Market Value	\$309,965	\$309,965	\$309,965	Long Term \$0
	Annualized Return (10 Years)				Total \$-352
Manager Inception 11/12/03 Inception Date 03/10/00 Quarter Ending 06/30/04 Year Ending 12/31/04	Current Manager	9.32%	2.16%	0.64%	Unrealized Gain/Loss
	Your Account	0.61% <sup>1</sup>	2.16%	0.64%	Short Term \$29,585
	RSL 1000 VALUE	5.75% <sup>1</sup>	3.94%	0.88%	Long Term \$3,783
					Total \$33,368
					\$-847

## Portfolio Growth Over Time



## Sector Allocation



## Portfolio Characteristics

Number of Holdings	22
Average Market Capitalization	\$55.0 billion
Average Dividend Yield	2.5%
Average Earnings Growth (next 5 years)	10.8%

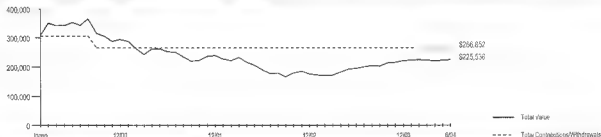
1 - Annualized Return

## ACCOUNT SUMMARY

Account Number : 1219-3239

Aspiria Association Inc Readers Digest Endowment Fund Select Account	Asset Growth	Since Inception	Fiscal YTD	Current / Qtr	Income Received
Ashfield & Co., Inc. U.S. Equity Large Cap Growth	Beginning Market value	\$306,772	\$221,914	\$224,217	Year to Date <b>\$913</b>
	Net Contributions/Withdrawals	\$-39,920	\$0	\$0	Net Realized Gains/Losses <b>\$0</b>
	Gain/Loss + Income Earned	\$-41,316	\$3,622	\$1,259	Short Term <b>\$1,142</b>
	Ending Market Value	\$225,536	\$225,536	\$225,536	Long Term <b>\$-27</b>
					<b>Total \$1,115</b>
Inception Date 03/08/00 Quarter Ending 06/30/04 Year Ending 12/31/04	Account & Benchmark Returns %				Unrealized Gains/Losses
	Your Account	-4.30% <sup>1</sup>	1.63%	0.56%	Short Term <b>\$7,937</b>
	RSL 1000 GROWTH	-11.45% <sup>1</sup>	2.74%	1.94%	Long Term <b>\$31,747</b>
					<b>Total \$39,684</b>
					<b>\$-9,645</b>

Portfolio Growth Over Time



Sector Allocation



Portfolio Characteristics

Number of Holdings	54
Average Market Capitalization	\$73.1 billion
Average Dividend Yield	1.1%
Average Earnings Growth (next 5 years)	14.7%

<sup>1</sup> Annualized Return

## ACCOUNT SUMMARY

Account Number : 1219-3241

Aspiria Association Inc Readers Digest Endowment Fund	Asset Growth	Since Inception	Fiscal YTD	Current Qtr	Income Received	
Lazard Asset Management International Equity Core Markets Value	Beginning Market Value	\$132,482	\$134,778	\$135,342	Year to Date	\$1,997
	Net Contributions/Withdrawals	\$0	\$0	\$0	Not Realized Gains/Losses	
	Gain/Loss + Income Earned	\$3,329	\$1,033	\$469	Short Term	\$0
	Ending Market Value	\$135,811	\$135,811	\$135,811	Long Term	\$949
Inception Date 03/08/00 Quarter Ending 06/30/04 Year Ending 12/31/04	Account 4 Benchmark Returns (%)				Total	\$949
	Your Account	0.58%	0.77%	0.35%	Unrealized Gains	
	MSCI EAFE	-3.47%	4.86%	0.44%	Short Term	\$1,151
					Long Term	\$26,414
					Total	\$27,565
						\$-7,501

Portfolio Growth Over Time

— Total Value  
--- Total Contributions/Withdrawals

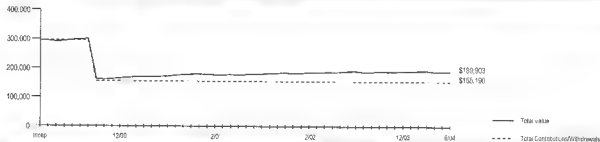
Sector Allocation		Portfolio Statistics	
	34.5% - Financials	6.9% - Telecommunication Svcs	Number of Holdings 32
	18.4% - Consumer Staples	5.5% - Information Technology	Average Market Capitalization \$68.3 billion
	12.9% - Health Care	5.1% - Cash Management	Average Dividend Yield 2.9%
	12.4% - Energy	4.3% - Industrials	Average Earnings Growth (next 5 years) 10.1%

## ACCOUNT SUMMARY

Account Number - 1219-3243

Aspire Association Inc Readers Digest Endowment Fund	Asset Growth	Since Inception	Fiscal YTD	Current Qtr	Income Received	
	Beginning Market Value	\$295,060	\$191,051	\$193,743	Year to Date	\$5,423
	Net Contributions/Withdrawals	\$-139,870	\$0	\$0	Unrealized Gain/Loss	\$-863
Madison Investment Advisors	Gain/Loss + Income Earned	\$34,713	\$-1,148	\$-3,840	Short Term	\$-394
U.S. Fixed Income	Ending Market Value	\$189,903	\$189,903	\$189,903	Long Term	\$-469
Intermediate-Term Gov/Corp Bonds					Total	\$-863
Account's Performance Returns						
	Your Account	4.15%	-0.60%	-1.98%	Unrealized Gain	
	LB GOV/CORP INT	7.45%	-0.11%	2.52%	Unrealized Loss	
Inception Date 03/08/00					Short Term	\$0
Quarter Ending 06/30/04					Long Term	\$1,683
Year Ending 12/31/04					Total	\$1,683

## Portfolio Growth Over Time



## Bond Quality



- 5.3% - Cash
- 35.7% - Government Bonds
- 2.7% - AAA
- 11.2% - AA
- 40.7% - A
- 4.4% - BBB

## High Yield Credit Characteristics

Number of Holdings	21
Average Yield to Worst	3.4%
Average Duration	2.5 years
Average Coupon	6.00%



# PERFORMANCE SUMMARY BY MANAGER

June 30, 2004

For Aspira Association Inc

Investment Name	Inception Date	Since Inception		Five Years Since 06/30/99		Three Years Since 06/30/01		Last 12 Months	Fiscal YTD	Current Quarter	Asset Allocation			
		Return	Std Dev	Return	Std Dev	Return	Std Dev				Equity	Fixed	Other	
EQUITY														
International Equity Core Markets Value														
Lazard Asset Management	03/08/00	0.6%	18.0%	--	--	2.0%	19.1%	21.4%	0.8%	0.3%	95%	0%	5%	
MSCI EAFE		-3.5% <sup>1</sup>	18.9%	--	--	4.3%	21.3%	32.8%	4.9%	0.4%				
U.S. Equity Large Cap Growth														
Ashfield & Co. Inc	03/08/00	-4.3% <sup>1</sup>	19.0%	--	--	3.8%	18.2%	15.2%	1.6%	0.6%	97%	0%	3%	
RSL 1000 GROWTH		-11.5% <sup>1</sup>	23.8%	--	--	-3.7%	22.5%	17.9%	2.7%	1.9%				
U.S. Equity Large Cap Value														
OF Private Investments (Gulf)	11/12/03	9.3%	--	--	--	--	--	--	2.2%	0.6%	91%	0%	9%	
RSL 1000 VALUE		10.3%	--	--	--	--	--	--	3.9%	0.9%				
FIXED INCOME														
U.S. Fixed Income Intermediate-Term Gov/Corp Bonds														
Madison Investment Advisors	03/08/00	4.2% <sup>1</sup>	3.0%	--	--	3.3%	3.1%	-1.0%	-0.6%	-2.0%	0%	95%	5%	
LB GOV/CORP NT		7.5% <sup>1</sup>	3.7%	--	--	6.2%	4.0%	-0.1%	-0.1%	-2.5%				
											73%	21%	6%	

<sup>1</sup> - Annualized Return

# PORTFOLIO HISTORY REPORT

June 30, 2004

For Aspira Association Inc

Period Ending Date	Beginning Market Value	Gain/Loss	Net Contributions/ Withdrawals	Ending Market Value	Your Portfolio Quarterly Returns	Cumulative Returns
03/08/00				734,313		
03/31/00	734,313	65,439	340,223	1,139,975	6%	6%
06/30/00	1,139,975	9,730		1,149,705	1%	7%
09/30/00	1,149,705	15,346	-220,147	944,904	1%	8%
12/31/00	944,904	24,019		968,923	3%	11%
03/31/01	968,923	-70,262		898,661	-7%	3%
06/30/01	898,661	17,865		916,526	2%	5%
09/30/01	916,526	-76,186		840,340	-8%	-4%
12/31/01	840,340	33,771		874,111	4%	0%
03/31/02	874,111	-12,225		861,886	-1%	-1%
06/30/02	861,886	-93,619		768,267	-11%	-12%
09/30/02	768,267	-106,085		662,182	-14%	-24%
12/31/02	662,182	34,872		697,054	5%	-20%
03/31/03	697,054	-19,128		677,926	-3%	-22%
06/30/03	677,926	80,055		757,981	12%	-13%
09/30/03	757,981	18,732		776,713	2%	-11%
12/31/03	776,713	74,429		851,142	10%	-2%
03/31/04	851,142	10,215		861,357	1%	-1%
06/30/04	861,357	-142		861,215	0%	-1%
TOTALS		6,826	120,076			

# CAPITAL GAINS SUMMARY REPORT

Year Ending 12/31/04

For Aspira Association Inc

Account Name		Account Tax Status			
Net Realized Gains or Losses		Short Term		Long Term	
1219-3237	OFI Private Investments Gulf	Taxable	\$-352.22	\$0.00	
1219-3239	Ashfield & Co. Inc.	Tax Deferred/Exempt	\$1,142.42	\$-27.36	
1219-3241	Lazard Asset Management	Tax Deferred/Exempt	\$0.00	\$949.48	
1219-3243	Madison Investment Advisors	Tax Deferred/Exempt	\$-394.30	\$-468.51	
Total Taxable Realized			\$-352.22	\$0.00	
Total Tax Deferred/Exempt Realized			\$748.12	\$453.61	
Net Realized Total			\$395.90	\$453.61	
Unrealized Gains or Losses		Short Term Gains		Short Term Losses	
1219-3237	OFI Private Investments Gulf	Taxable	\$29,584.76	\$-847.04	\$3,782.82
1219-3239	Ashfield & Co. Inc.	Tax Deferred/Exempt	\$7,936.62	\$-1,596.90	\$31,747.27
1219-3241	Lazard Asset Management	Tax Deferred/Exempt	\$1,151.37	\$-582.65	\$26,414.35
1219-3243	Madison Investment Advisors	Tax Deferred/Exempt	\$0.00	\$-1,938.12	\$1,683.40
Total Taxable Unrealized		\$29,584.76	\$-847.04	\$3,782.82	\$0.00
Total Tax Deferred/Exempt Unrealized		\$9,087.99	\$-4,117.67	\$59,845.02	\$-17,569.06
Unrealized Total		\$38,672.75	\$-4,964.71	\$63,627.84	\$-17,569.06

## CAPITAL GAINS DETAIL REPORT: TAXABLE ACCOUNTS

Year Ending 12/31/04

For Aspira Association Inc Readers Digest Endowment Fund Select Account

Account Number : 1219-3237

Units	Description	Purchase Date	Sale Date	Cost	Proceeds	Gains/Losses
<b>Realized Gains or Losses</b>						
<b>Short-Term</b>						
<b>Stocks</b>						
0.5000	HOSPIRA INC	11/21/03	05/07/04	14.12	13.31	-0.81
25	HOSPIRA INC	11/21/03	06/03/04	706.04	641.73	-64.31
380	MAY DEPT STORES CO	11/21/03	06/28/04	11,293.60	10,989.34	-304.26
0.1000	PIPER JAFFRAY COS	11/21/03	01/07/04	3.78	4.25	0.47
4	PIPER JAFFRAY COS	11/21/03	01/09/04	151.38	168.07	16.69
						\$ 352.22
				3,250.00	3,000.00	-250.00

## CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

Year Ending 12/31/04

For Aspira Association Inc Readers Digest Endowment Fund Select Account

Account Number : 1219-3239

Quantity	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
Short-Term						
Stocks						
104	ALTERA CORP	12/12/03	02/19/04	2,346.22	2,367.17	20.95
0 4000	HOSPIRA NC	12/12/03	05/07/04	11.89	10.64	-1.25
9	HOSPIRA NC	12/12/03	05/21/04	267.59	235.52	-32.07
102	NETWORK APPL ANCE NC	03/25/03	02/10/04	1,221.51	2,242.87	1,021.36
269	ORACLE CORPORAT ON	12/12/03	03/15/04	3,456.65	3,166.00	-290.65
35	SCHEIN HENRY INC	08/05/03	02/19/04	2,050.30	2,474.38	424.08
				\$1,142.42		
Long-Term						
Stocks						
69	ECHOSTAR COMM CORP NEW CL A	01/11/02	06/01/04	2,024.24	2,198.97	174.73
69	MEDTRON C NC	08/30/00	04/27/04	3,669.94	3,467.85	-202.09
				\$-27.36		
				\$1,115.06		

## CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

Year Ending 12/31/04

For Aspira Association Inc Readers Digest Endowment Fund

Account Number : 1219-3241

Description		Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
Long-Term						
Stocks						
125	ABN AMRO HLDG N V SPON ADR	03/13/00	05/12/04	2,593.75	2,506.07	-87.68
85	D AGE0 PLC SPONSORED ADR	03/23/00	01/21/04	1,826.00	3,366.26	1,540.26
195	ENDESA SPONSORED ADR	03/13/00	03/17/04	4,307.00	3,455.71	-851.29
0.7500	HE NEKEN N V ADR	03/09/00	05/21/04	22.44	24.56	2.12
15	TOTAL F NA ELF S A	03/23/00	01/21/04	1,043.44	1,383.51	340.07
						\$949.48
Subtotal				29,382.55	29,382.55	

## CAPITAL GAINS DETAIL REPORT: TAX DEFERRED/EXEMPT ACCOUNTS

Year Ending 12/31/04

For Aspira Association Inc Readers Digest Endowment Fund

Account Number : 1219-3243

Quantity	Description	Purchase Date	Sale Date	Cost	Proceeds	Gain/Loss
Realized Gains or Losses						
Short-Term						
Bonds						
5,000	BANC ONE CORP 7.000% 07/15/05	06/27/03	04/20/04	5,519.55	5,305.25	-214.30
5,000	GOLDMAN SACHS GROUP NC 7.500% 01/28/05	06/27/03	02/20/04	5,461.85	5,281.85	-180.00
						\$-394.30
Total Short-Term Capital Gains/Losses				21,088.32	20,587.30	
Long-Term						
Bonds						
10,000	FEDERAL HOME LOAN MTGE CORP 6.250% 07/15/0	12/21/01	05/04/04	10,566.70	10,098.19	-468.51
						\$-468.51
Total Long-Term Capital Gains/Losses				10,088.32	9,619.68	

## DISCLOSURES

All returns are presented on a time-weighted basis unless indicated. All returns are presented net of all fees including consultant's fee, manager's fee and transaction costs except individual mutual fund returns which are net of all internal fund expenses and transaction costs. Performance returns are annualized for periods greater than one year. A dollar-weighted version of the returns is available upon request. Please contact your financial advisor with this request.

If you requested that historical data (performance history or cost basis) which predates your Lockwood relationship be included in this report, that data is included on a "best efforts" basis as an accommodation to you, and is collected from information provided by you or your financial advisor. It may be incomplete or inaccurate. Accordingly, Lockwood can make no representation as to the accuracy of that historical information or any calculations based on it.

The rate of return for the current manager on accounts which have undergone a manager change begins at the month end following the actual change date. Rates of return for the account in its entirety (including all old managers) are also supplied on the Account Summary.

The Benchmark returns used in the report are determined by Lockwood and are indexes assigned relative to the investment styles you have chosen and their risk profile.

If non-managed or outside custodied accounts are included in this composite report, information on those accounts is included only in the Portfolio Summary and Capital Gains reports.

An investment advisory disclosure document that describes our firm's investment advisory services and those of any investment advisors managing your account is available to you at no cost. Please contact your financial advisor or Lockwood to request these documents.

Please update your financial advisor if your investment objectives have changed or if the personal or financial information initially provided in your application has changed.



# 30th Anniversary of the Aspira Council

Wednesday, September 15, 2010 2:00pm

99 Hudson Street, 20th Floor (near Franklin Street) in NYC

RSVP with Myra L. Stepa at <mstepa@aol.com> or 212-771-1111

## BILINGUAL CLASSES AGREED UPON HERE

NEW YORK TIMES  
August 30, 1974, page 61

### School Board Tells Court It Will Set Up Program for the Spanish-Speaking

By LEONARD BUDER

The Board of Education agreed in Federal Court yesterday to establish a major new program to improve the education of all Spanish-speaking pupils here whose difficulties with English impede their learning.

The new program will be directed to all pupils in all schools in the city who are unable to learn basic subjects—such as mathematics and science—when they are taught in English and who could learn if they were taught in Spanish.

At the same time, these pupils will get intensive instruction to master English and improve their Spanish. Efforts will soon be started to recruit additional bilingual personnel

involved in the program, added that one of the steps would be to determine tests, which of the 200 Spanish-speaking pupils in system should be in the program.

Aspira officials, who held separate news conference about the same time, hailed agreement as a "landmark" that would have far-reaching benefits for Puerto Rican pupils. Victor Marrero, chairman of the Puerto Rican Legal Defense and Education Fund Inc., which represented plaintiffs, estimated that 600 to 100,000 youngsters would be directly affected by the court-decreed program.

#### Agreement Detailed

According to the court plan the agreement mandates the following:

¶The Board of Education will devise "an improved method for identifying and classifying children who are Spanish-speaking or Spanish-speaking according to their ability to speak, read, write and comprehend English and Spanish. This is supposed to be done by Oct. 1 and if it is not, board must explain why.

¶A list of pilot schools will offer the new bilingual program must be drawn up by the Chancellor by Oct. 30. program should start in 1



**GELMAN, ROSENBERG & FREEDMAN**  
CERTIFIED PUBLIC ACCOUNTANTS AND CONSULTANTS

August 25, 2004

Mr. Ronald Blackburn-Moreno  
President  
ASPIRA Association, Inc. National Office  
1444 J Street, N.W.  
Suite 800  
Washington, D.C. 20005

Dear Mr. Blackburn-Moreno:

We are pleased to confirm our understanding of the services we are to provide for the ASPIRA Association, Inc. National Office for the year ended June 30, 2004.

We will audit the statement of financial position of the ASPIRA Association, Inc. National Office as of June 30, 2004 and the related statements of activities and change in net assets and cash flows for the year then ended.

The objective of our audit is the expression of an opinion about whether your financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of your accounting records and other procedures we consider necessary to enable us to express such an opinion. If our opinion is other than unqualified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express an opinion or to issue a report as a result of this engagement.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected funding sources, creditors, and financial institutions. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

4540 Montgomery Avenue, Suite 650 North, Bethesda, Maryland 20814  
(301) 951-9660, Fax (301) 951-3570 [www.grfgcpa.com](http://www.grfgcpa.com)

Member of CPAnet International, an affiliate of Horwath International  
Member of the American Institute of Certified Public Accountants' Private Companies Practice Section

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. Also, we will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets or violations of laws or governmental regulations that are attributable to the organization or to acts by management or employees acting on behalf of the organization. Because an audit is designed to provide reasonable, but not absolute, assurance and because we will not perform a detailed examination of all transactions, there is a risk that misstatements may exist and not be detected by us. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct effect on the financial statements. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our audit will include obtaining an understanding of internal control sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or to identify reportable conditions that is, significant deficiencies in the design or operation of internal control. However, during the audit, if we become aware of such reportable conditions, we will communicate them to you.

You are responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. We will advise you about appropriate accounting principles and their application and will assist in the preparation of your financial statements, but the responsibility for the financial statements remains with you. This responsibility includes the establishment and maintenance of adequate records and effective internal controls over financial reporting, the selection and application of accounting principles, and the safeguarding of assets. You are responsible for adjusting the financial statements to correct material misstatements and for confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. You are also responsible for identifying and ensuring the Organization complies with applicable laws and regulations.

You are also responsible to notify us in advance of your intent to print our report, in whole or in part, and to give us the opportunity to review any printed material containing our report before its issuance. With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your internet website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

We understand that your staff will prepare all cash, accounts receivable, and other confirmations we request and will locate any documents selected by us for testing.

As part of our engagement, we will also prepare the federal and state information returns for the year ended June 30, 2004.

Our fees are estimated using our standard hourly rates, less a 15% discount. We will bill you only for the time expended, plus out-of-pocket costs such as travel, report production, typing, postage, etc. We estimate the cost to complete the engagement for the year ended June 30, 2004 to be \$16,000, plus out of pocket expenses. Our fee is based on anticipated cooperation from your personnel and the assumptions that all information required to be prepared by you has been done so prior to the starting our fieldwork and that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, interest of 1 1/2% per month will be charged on amounts that are more than 30 days past due.

We appreciate the opportunity to be of service to you and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Sincerely,

GELMAN, ROSENBERG & FREEDMAN



Terr. P. Marrs  
Certified Public Accountant

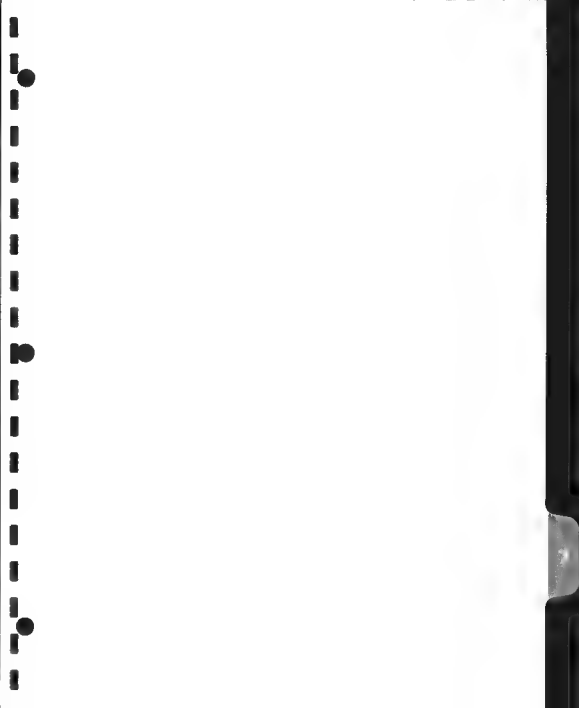
**RESPONSE.**

This letter correctly sets forth the understanding of the ASPIRA Association, Inc. National Office.

Officer Signature \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_





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# PROGRESS REPORT

to the

*National Board of Directors*

of the

**ASPIRA Association**

by

Ronald Blackburn-Moreno  
President

September 2004

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## INTRODUCTION

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This Progress Report covers the activities of the National Office in the seven months between February and September, 2004. The last report to the Board of Directors was presented at the meeting of the Board of Directors in February, 2004.

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## Highlights

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The period between February and September has been particularly productive. Efforts have been dedicated mainly to

- a) Completing the curriculum for the comprehensive Financial Education program (the ASPIRA Community Wealth Development Initiative) program, including pilot testing of the curricula at various sites, completing the written curricula and supporting materials and developing on-line versions,
- b) Developing and implementing the Pilar Barbosa Internship program in Washington, DC,
- c) Implementing the various health and traffic safety grants as well as other on-going programs in several areas,
- d) Negotiating the transfer of leadership for the Technology Tools Conference from ASPIRA of New Jersey to the National Office and planning for the conference in December.

- e) Securing continued funding for on-going programs and new initiatives, mostly from corporate sources and through fee-for-service contracts,
- f) Formalizing a series of new collaborative relationships with a variety of federal and private corporations to expand program offerings and continuing to grow existing collaborations with Latino organizations, that has included again being elected Chair of the national Hispanic Leadership Agenda (NHLA), and
- g) Enhancing our technical assistance to the associates in a variety of programs and funding activities, including the work on the Technology Tools Conference in Puerto Rico, training and technology technical assistance, support of ASPIRA schools, especially in Chicago and Puerto Rico, and providing short-term-loans to Associates in need

## **Events and Accomplishments**

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**Communications**— The Strategic Plan 2003-2008 approved by the National Board of Directors calls for ASPIRA to set communications as a major priority. Significant advances have been made on this front in the past seven months include

- a) Completion of a Media Plan for the Association and the hiring of a communications firm, MAPA Communications (as an option to hiring a communications specialist), to assist in refining the plan and implementing a short term communications strategy that includes publicizing ASPIRA as a national organization in the mainstream media, developing messages and printed materials on ASPIRA, and publicizing ASPIRA events (e.g., conferences, local events). The target audiences are mostly potential funders
- b) The publicity received around several programs, especially the Pilar Barbosa program both in Puerto Rico and on the mainland through a collaboration with Univision and **press events** around the Financial Literacy program
- c) A collaboration with **AOL Latino** through which ASPIRA will receive publicity nationwide
- d) ASPIRA has presented at **numerous conferences, press events, and gatherings** on various issues and programs including the LULAC Convention, the National Puerto Rican Coalition, HACR Symposium, the New America Alliance, and a host of others
- e) The publicity received once again through **Hispanic Magazine** which again ranked ASPIRA as one of the top 10 national Hispanic organizations in the nation (4<sup>th</sup> overall, 1<sup>st</sup> national organization), and the recognition I received (to be published in October) as one of the *100 Most Influential Hispanics in the United States*. The "Top Ten" article included a special article on ASPIRA's work entitled *Catching the Drop Outs* "



- f) ASPIRA's Office of Public Policy has continued to develop and disseminate public policy information through the *Puttre News* and *ASPIRA Public Policy* electronic newsletters.

**Program Implementation** – The extensive efforts during this period were continued to implement of various funded programs

**Community Wealth Development Initiative** The curriculum for the three component Financial Education curriculum was completed and was pilot-tested at several Associates. With support from the Citigroup Foundation, Nationwide Insurance Corporation, Morgan Stanley Corporation, and, more recently by GMAC Corporation, this initiative focuses on developing a three-part curricula (printed and on-line) for youth and adults to obtain information on

- 1 Personal Finance Focus on **Basic Home Finances** With the support of Citibank and using a host of Citibank-developed materials, ASPIRA developed a full curriculum on basic financial literacy that includes such topics as credit, banking, financial planning,
- 2 Personal Finance Focus on **Insurance** – With support from Nationwide Insurance, ASPIRA developed, piloted and finalized the first and only bilingual training program on insurance, that includes modules on Introduction to Insurance, Life, Homeowners, Renters, and Auto, to protect wealth and assets;
- 3 Personal Finance Focus on **Auto purchasing** With a small grant from GMAC Corporation, ASPIRA edited and helped finalize a training program for young people on purchasing and financing an automobile, and
- 4 Personal Finance Focus on **Investing and Entrepreneurship** With a major grant from Morgan Stanley, ASPIRA developed, and is piloting this fall, a program on investing and entrepreneurship. The entrepreneurship program will complement our youth leadership entrepreneurship curriculum developed for the ASPIRA Clubs.

All programs were developed in English and Spanish and are complemented by a host of existing materials on the various subjects

A full web site was developed on the ASPIRA web site ([http://www.aspira.org/Comm\\_wealth.htm](http://www.aspira.org/Comm_wealth.htm)) on which the funders are recognized and which contain on-line versions of all the curriculum in PDF form

In addition, an agreement (MOU) was signed with the **Federal Deposit Insurance Corporation (FDIC)** to utilize their "Money Smart" financial education program that includes modules on

- Bank on It – an introduction to bank services
- Borrowing Basics - an introduction to credit
- Check It Out - how to choose and keep a checking account

- Money Matters - how to keep track of your money
- Pay Yourself First - why you should save, save, save
- Keep it Safe - your rights as a consumer
- To Your Credit - how your credit history will affect your credit future
- Charge It Right - how to make a credit card work for you
- Loan to Own - know that you're borrowing before you buy
- Your Own Home - what home ownership is all about

These programs have led to a new grant (\$200,000 over two years) by Citibank to implement a broader Homeownership program for next year.

All the financial literacy curricula will be implemented at the Associates this fall, with the exception of the Morgan Stanley program that is scheduled for final plotting and completion this fall.

Summer Internships Pilar Barbosa Internship - A major effort was put into securing and implementing the Pilar Barbosa Internship program. Sponsored by the Senate of Puerto Rico, the program brought 24 teachers and principal leaders to Washington DC (mostly at the ASPIRA National office) to receive extensive and very intense leadership training by ASPIRA on the applications of technology to education. The program, which was formerly operated by the Washington Center, was highly successful and a commitment was made by the Senate to continue the program next year.

The program received extensive publicity through television (both here and in Puerto Rico). A press conference event was held in Puerto Rico which was well received and in which ASPIRA de Puerto Rico participated. In addition, as a follow-up to the program, the schools where the teachers and principals work, will develop a series of technology program with support from ASPIRA. As a first step, all the participating schools were designated by the P.R. Department of Education as Pilot Schools for technology. Funding is being sought within the Department to develop a series of projects in each school.

Everett College Internship - In addition to the Pilar Barbosa Internship, ASPIRA had five college level interns working at the National Office during the Summer. These included the Everett Interns in Public Policy, who worked in various areas, including health policy and traffic safety issues. One student, an ASPIRANTE (John Casas from New Jersey) worked on the development of a college level ASPIRA program called LASE. Already organized in several colleges and modeled on the ASPIRA Clubs, this program aimed at involving Latino students on campus in a ASPIRA leadership and community service program.

On-Line College Education Programs and ASPIRA Technical Colleges - ASPIRA is working through a series of new collaborations with universities, to offer on-line college-level courses through the ASPIRA Associates. A collaboration (MOU) was

signed with *SEDE Universidades* a consortium of universities in southern Spain, to offer some of their over 5,000 on-line courses (most technical) through the Associate Offices. A contract is being negotiated with Universidad de Este in Puerto Rico also to offer college level for credit-on line courses. These programs will increase opportunities for youth in our communities to start a college education that they can later complete either at the collaborating universities or elsewhere.

ASPIRA has been providing technical assistance to ASPIRA of Illinois and ASPIRA de Puerto Rico in the two-year long process of securing accreditation for their technical colleges. Accreditation as a postsecondary institution will allow the colleges to receive Pell Grants to pay for student tuition, further enhancing opportunities for students in our community.

HIV/AIDS, Traffic Safety. ASPIRA's HIV-AIDS Prevention Curriculum is on the ASPIRA web site in English and Spanish. A guide for middle and high school students for promoting the health professions is being finalized. The HIV-AIDS initiative resulted in regularly-scheduled publications (e.g., newsletters, a Mentoring Manual) on HIV-AIDS directed at educating Latino youth on the various aspects of the disease. The mentoring model is being used by other organizations, including MANA A National Latina Organization, for training their staff and volunteers on mentoring. ASPIRA also disseminates a host of other materials in English and Spanish on this topic to further educate youth on the dangers (and prevention) of HIV/AIDS).

The *ASPIRA Partnership for Traffic Safety* initiative with the National Highway Transportation Administration (NHTSA) also has a full separate web site (<http://www.aspira.org/nhtsa.html>) and publishes a host of newsletters and materials on traffic safety (with traffic accident deaths and not using seat belts being the largest cause of death among Latino Youth) and has offered over 20 trainings at ASPIRA Associates and other non-profit organizations. In addition, NHTSA has just announced a \$150,000 three year continuation grant to ASPIRA. ASPIRA has also submitted a grant proposal for over \$300,000 to NHTSA for a major safety initiative.

Arts Education Conference. As part of ASPIRA's collaboration with the P.R. Department of Education, and as a fee for service activity, ASPIRA won a contract with the Department for a total of \$600,000 to organize a major conference for teachers and administrators in Puerto Rico on Arts education and applications of technology to arts education. The conference will be organized in collaboration with ASPIRA de Puerto Rico in San Juan in November 2004.

Technology. In technology, ASPIRA is conducting a pilot program on the use of handheld cell telephone devices for data entry by counselors as part of ASPIRA's Internet-based MIS system, and communications among the members of the ASPIRA Technology Council. The MIS pilot is being implemented at ASPIRA of Illinois. Each ASPIRA Advisor has a handheld telephone with which he/she can access the ASPIRA database via the Internet and enter data in real time on student services.

provided. The database collects the information and can generate on-demand, real time statistical reports. This project is funded under a grant from the UPS Foundation.

In order to enhance communications between the members of the ASPIRA Technology Council for mutual technical support, and between the members and the various office within their state when out of the office, a project is being piloted to provide the members handheld cell phones that incorporate the features of a handheld PC (contacts, database, e-mail). This is expected to reduce the response time for troubleshooting at the various offices within a state and to increase communication and support among members who may need technical advice from others in the Council.

In technology also, ASPIRA continues to work under contract with the technical and managerial staff of the Sistema Universitario Ana G. Mendez in Puerto Rico on a fee-for-service basis, on network security and network deployment. A proposal was also submitted to do the same with several universities in North Carolina.

ASPIRA also purchased 12 new wireless-capable laptops to offer training at the National Office. The laptops were used very effectively in the training of the Pilar Barbosa Internship program participants. They will help create a training center at ASPIRA for the Association.

**Working Together to Foster the ASPIRA Associates** – In addition to technology, technical assistance to the Associates has focused on strengthening **ASPIRA schools** and the possible accreditation of post secondary schools at ASPIRA of Illinois and ASPIRA de Puerto Rico. Extensive assistance has been provided ASPIRA of Illinois on the curriculum and the technology for the new Mirta Ramirez high school in Chicago. ASPIRA of IL And Puerto Rico are working together on accrediting their respective post secondary colleges so they can qualify to receive Pell Grants. ASPIAR of Illinois staff also received training on technology in a two-day session in Illinois offered by the National Office staff. Some work was also done with ASPIRA of PA to also secure a building.

A significant effort has been made in helping ASPIRA of Illinois secure a new facility for their new charter school and to re-house ASPIRA's corporate offices. Assistance has included planning the facility and helping secure financing. Currently, ASPIRA of Illinois was awarded a \$40,000 short-term loan to cover the costs of planning for the building and the national office is considering a request for an additional \$100,000 from ASPIRA of Illinois to cover the down payment on a new facility.

A second accomplishment in the area of strengthening ASPIRA schools was the creation of an ASPIRA-wide Council of Principals. The Council, which includes the

principals of all ASPIRA schools, is designed to be a mechanism to share information, curriculum and other resources among the schools.

The ASPIRA National Office has granted short-term loans to other Associates as well. ASPIRA of Connecticut has been assisted through an operating line of credit from the National office's cash to cover short term expenses (until invoiced grant funds are received). Three such loans were granted to ASPIRA of CT and paid back, with one (\$10,000) pending. ASPIRA of New York has a total of \$100,000 in outstanding short-term loans.

ASPIRA negotiated a National Line of Credit with Citibank for \$800,000. The Council of Executive Directors have agreed that each Associate would be entitled to a total of \$100,000 maximum from the line of credit at any one time. The Line of credit is being finalized as Citibank receives a considerable amount of documentation from all the Associates (bank statements, audits, budgets, financials, etc.). The process should finally be completed within these two weeks.

**Grants and Contracts FY 2003 -** ASPIRA has been awarded the following grants and contracts for FY 2004, bringing its total income for FY 2004 to about \$1.6 million. This is well over the approved budget (\$1.2 million). The large difference is due to income received that will be allocated for programs for next fiscal year, new grants received (e.g., the Pilar Barbosa internship - \$150,000) for this year after the approval of the budget, and new general operating support received in excess of projections.

- a) National Highway Transportation Safety Administration: \$100,000 to continue our work in Highway Safety education;
- b) Office of Minority Health, Department of Health and Human Services: \$100,000 to continue work on the HIV/AIDS education program;
- c) Department of Transportation, District of Columbia: \$75,000 to continue work on highway safety education;
- d) Sistema Universitario Ana G. Méndez: \$85,000 to conduct training for network managers and staff and to develop security policies for the university system.
- e) Pilar Barbosa Internship: \$150,000 for the Summer 2004;
- f) UPS Foundation: \$80,000 for the technology pilot MIS system
- g) Department of Education (\$600,000 total, \$198,000 for the National Office) for the Arts program
- h) CitiGroup Foundation - \$225,000 over two years for homeownership.

Other continuation grants include:

- a) CitiGroup Foundation - \$110,000 this year to complete the Financial Education program for youth focusing on credit, banking and homeownership (curriculum completed);

- a) Nationwide Insurance - \$225,000 to be completed this year for the Financial Education program for youth focusing on insurance education;
- b) Morgan Stanley Co. - \$100,000 this year for a Financial Program focusing on investing (curriculum due to be completed this month).
- c) GMAC - \$35,000 to pilot test a car-buying curriculum for youth in Washington (to be completed in August)

A major accomplishment in this area has been the significant increase in unrestricted gifts to ASPIRA. This year, general operating support grants exceeded \$100,000 (all corporate support) not including fee for service contracts. This year, the National Office required only \$4,000 in unrestricted funds to cover its general operating costs, since most of these costs are covered through indirect cost recovery. This provided the National Office with a surplus of funds this year of about \$45,000 which is placed in reserve for next fiscal year. (Recognized income for FY 03 was \$1.2 million, since income is not recognized in unrestricted funding until it is actually expended – the balance is forwarded to the next fiscal year).

In addition to grants, ASPIRA is secured \$35,000 in funding for the ASPIRA Golf Tournament and Technology Tools conference in Puerto Rico in December from Coors and Univisión.

**Partnerships** – This is the area where ASPIRA has been most active, in both growing existing partnerships and in developing new ones.

Among the existing partnerships that has been most active is the The Telecentros de las Américas collaboration. Telecentros de las Américas is a joint venture between national organizations in the U.S. and Latin America that bring together Community Technology Centers throughout the hemisphere (over 5,000 CTCs in total). Under the auspices of the United Nations, the MOU was signed via simultaneous satellite link, that brought together ASPIRA (in Puerto Rico), CTCNet (in Washington, DC), Mexico (in Mexico City), Canada (in Vancouver) and the UN (in Geneva). During this period extensive efforts have been made by the consortium to secure major funding for the initiative to promote economic development throughout the hemisphere. Most recently, a presentation was made by ASPIRA's lead executive on this agreement, Mr. John Villamil, at the World Bank before economic leaders (public and private) from the Bank, The IADB, the USAID and others on the Centros to secure funding.

A second significant partnership has been with *SEDE Universidades*. This organization is a consortium of universities in southern Spain that have, among them, literally thousands of on-line college-level courses and trainings, mostly technical, that they offer for credit. Through the MOU, ASPIRA will work through its Associates to deliver online courses to students through the Community Technology Centers.

As mentioned, a new MOU was signed with the **FDIC** to use their Money Smart Curriculum. ASPIRA is a member of the Planning Committee for the upcoming Independent Sector Conference in November in Chicago.

ASPIRA has been most active with two other collaborations: The National Hispanic Leadership Agenda (**NHLA**) and the Hispanic Association on Corporate Responsibility (**HACR**).

I was elected Chair of the National Hispanic Leadership Agenda, the organization that brings together the leaders of the 35 main national Latino organizations in the country. The NHLA is currently developing its 2004 Policy Agenda to present to the presidential candidates, as it does every four years.

The most important activities with **HACR** have been the HACR Symposium, providing assistance as Treasurer of the Board to the new President, and helping manage the new relationships with Wal-Mart and The Home Depot. As reported previously, HACR completed its move to ASPIRA and is now occupying one third of ASPIRA's space, that will generate almost \$60,000 in annual revenue for ASPIRA.

Given some very serious concerns regarding the way in which the **Hispanic Heritage Awards Foundation** selects its awardees, ASPIRA is considering withdrawing its sponsorship of the foundation and the annual event.

Finally, the Hispanic Federation of New York has just hired a Washington Policy Director. ASPIRA offered to house the Federation at ASPIRA. ASPIRA is offering a small space at no cost to the Federation.

**Public Policy** – The ASPIRA staff has made various presentations on policy issues, especially on the *No Child Left Behind*. These have included presentations at the LULAC Convention in San Antonio, the National Puerto Rican Coalition Conference in Orlando and various others, especially by the VP for Public Policy, Hilda Crespo.

The National Office a Public Policy Web Site with content on issues that affect the education of Hispanics as well as a host of links to information on policy issues. The site has updated Policy Briefs that are also disseminated nationally.

#### **Technology Tools Conference**

A major issue has arisen regarding the Technology Tools Conference in December in Puerto Rico. This conference had been held by ASPIRA of New Jersey over the past several years. With the departure of the President of ASPIRA of New Jersey, Mr.

William Colón, the Board of ASPIRA of N.J. has decided that they lack the capability (financial and organizational) to hold the conference and requested that the National Office assume the leadership on the conference.

Given the importance of the conference and the relationship with the Council for Opportunity in Education (COE), the National Office has decided (as discussed with the Executive Committee in May), at least for this year, to take responsibility for the Conference with COE. A significant amount of effort has been put into negotiating with both COE and ASPIRA of New Jersey's board of directors the terms of the agreement to take the lead on the conference.

A formal agreement was signed with ASPIRA of New Jersey on the terms under which the National office would assume the lead role, and a formal contract was signed with ASPIRA of New Jersey for the National office to assume the financial responsibility for the hotel and meals (the current contract is held by ASPIRA of New Jersey).

With the passing of this responsibility to the National Office, the National Office has decided to give a much larger role to ASPIRA de Puerto Rico in the logistics of the conference, to which they have agreed.

Planning of the conference continues with COE on the program, logistics, publicity and others.

**Finance and Administration** – The main efforts in this area have been:

- a) ASPIRA has just completed the 04 fiscal year with a small surplus. The initial final revenue and expense report indicate that the surplus will be about \$45,000. Significant unrecognized revenue has been received however, and the new budget for '05 will be presented to the Executive Committee at its next meeting.
- b) The audit for '03 was presented to the Board. It was an unqualified opinion ("clean audit")
- c) The National Office has a proposal for the audit for FY 04, which it will submit to the National Board. After three years, the National Office is able to engage in the audit almost immediately after the end of the fiscal year. This indicates that the functions of the Finance Office and accounting are fully up-to-date and working effectively.
- d) The National Office's Line of Credit with Citibank (\$200,000) was renewed.
- e) The Accounting Manual was completed and will be sent to all Associates as a model.